

AN ACT

ENTITLED, An Act to repeal certain provisions regarding loans from the revolving economic development and initiative fund and to authorize loans from the revolving economic development and initiative fund to certain capital investment entities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 1-16G-12 be repealed.

Section 2. That § 1-16G-13 be repealed.

Section 3. That § 1-16G-14 be repealed.

Section 4. That § 1-16G-15 be repealed.

Section 5. That § 1-16G-16 be repealed.

Section 6. That § 1-16G-17 be repealed.

Section 7. That § 1-16G-18 be repealed.

Section 8. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

For the purposes of this Act, the term, capital investment entity, means a for-profit or non-profit investment entity or vehicle that intends to invest as an owner in businesses for the purpose of achieving return on investment through royalties, profit, growth, or otherwise.

Section 9. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

In addition to the loans authorized in §§ 1-16G-5 and 1-16G-8, the Board of Economic Development may make loans from the revolving economic development and initiative fund to capital investment entities. The loans shall be for the purpose of facilitating investment by capital investment entities in new businesses in this state and to facilitate the expansion or relocation of businesses in this state in order to promote economic development in this state. The total amount of

such loans may not exceed twelve million dollars.

Section 10. That chapter 1-16G be amended by adding thereto a NEW SECTION to read as follows:

The Board of Economic Development may promulgate, pursuant to chapter 1-26, rules to:

- (1) Establish eligibility criteria;
- (2) Set the application procedures for loans to capital investment entities;
- (3) Establish criteria to determine which applicants will receive such loans;
- (4) Govern the use of proceeds of such loans;
- (5) Establish criteria for the terms and conditions upon which such loans shall be made, including matching requirements, if any, interest rates, repayment terms, and the terms of security given, if any, to secure such loans; and
- (6) Establish reporting requirements for capital investment entities.

An Act to repeal certain provisions regarding loans from the revolving economic development and initiative fund and to authorize loans from the revolving economic development and initiative fund to certain capital investment entities.

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I certify that the attached Act
originated in the

SENATE as Bill No. 202

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 202
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
=====

STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State